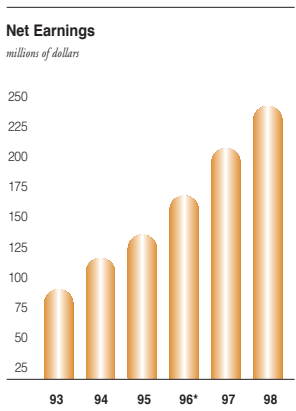
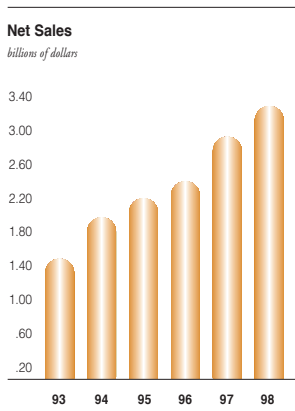




The teamwork spirit and inventive heritage of the people of Leggett & Platt are symbolized in the sculpture, *Partners In Progress*. To encourage these values and preserve them for future generations, a larger-than-life-size version of the sculpture stands outside the home office in Carthage, Missouri.



Financial Highlights

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

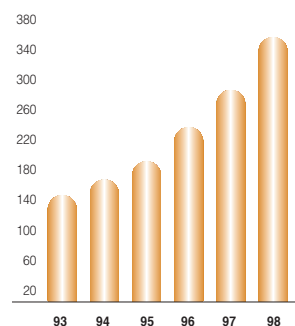
(Dollar amounts in millions, except per share data)

Year ended December 31	1998	1997	% Change
Net sales	\$3,370.4	\$2,909.2	15.9%
Earnings before interest and income taxes	429.1	362.5	18.4
Net earnings	248.0	208.3	19.1
Cash provided by operating activities	354.9	288.3	23.1
Earnings per share			
Net earnings – basic	\$ 1.25	\$ 1.09	14.7%
Net earnings – diluted	1.24	1.08	14.8
Cash dividends declared per share	.315	.27	16.7
Book value per share	7.27	6.09	19.4
Pre-tax profit margin			
	11.7%	11.5%	
Net profit margin			
	7.4	7.2	
Return on average shareholders' equity			
	19.0	19.7	
Long-term debt as a percent of total capital			
	26.9	26.9	
Return on average total capital			
	14.1	14.5	
Average shares outstanding (in millions)			
Basic	197.7	190.3	
Diluted	200.7	193.2	

Previously reported share and per share data have been restated to reflect a two-for-one stock split distributed on June 15, 1998.

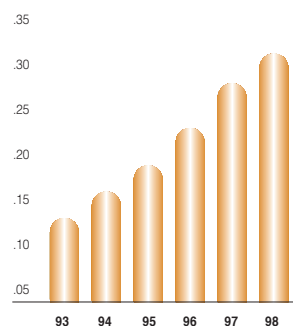
Cash Provided by Operating Activities

millions of dollars



Dividends Per Share

dollars

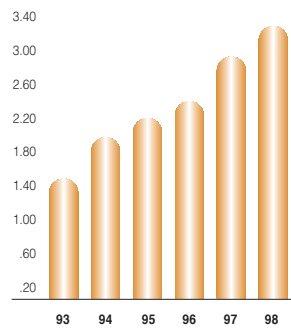


*See note (1) to Financial Data on page 22.

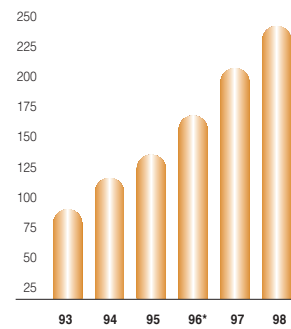
Financial Reports and Review

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

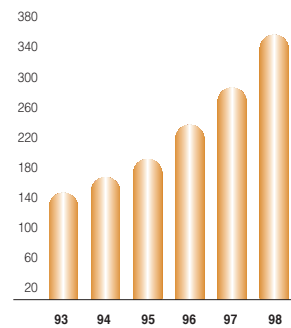
Net Sales
billions of dollars



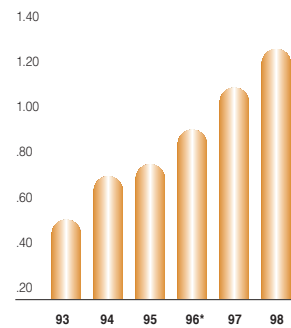
Net Earnings
millions of dollars



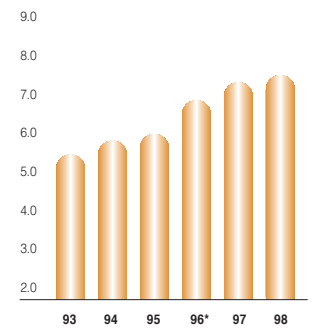
Cash Provided by Operating Activities
millions of dollars



Earnings Per Share – Diluted
dollars



Net Profit Margin
percent



Financial Data 1998 - 1988 **22**

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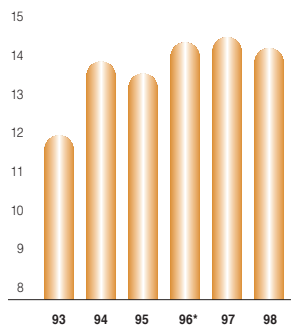
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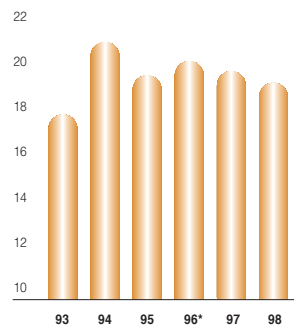
Return on Average Total Capital

percent



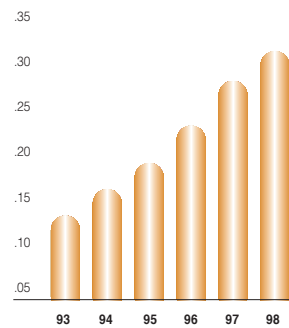
Return on Average Shareholders' Equity

percent



Dividends Per Share

dollars



*See note (1) to Financial Data on page 22.

Financial Data 1998 - 1988

LEGETT & PLATT, INCORPORATED AND SUBSIDIARIES

(Dollar amounts in millions, except per share data)

	1998	1997	1996
Summary of Operations			
Net sales	\$3,370.4	\$2,909.2	\$2,466.2
% change	15.9%	18.0%	9.3%
Gross profit	871.5	737.8	623.5
Interest expense	38.5	31.8	30.0
Earnings from continuing operations before income taxes and non-recurring costs ⁽¹⁾	395.6	333.3	276.3
Net earnings before non-recurring costs ⁽¹⁾	248.0	208.3	169.4
% change	19.1%	23.0%	26.1%
Net earnings	248.0	208.3	140.5
Common Stock Data ⁽⁵⁾			
Earnings per share			
Net earnings before non-recurring costs - basic ⁽¹⁾	\$ 1.25	\$ 1.09	\$.94
Net earnings before non-recurring costs - diluted ⁽¹⁾	1.24	1.08	.92
% change	14.8%	17.4%	22.7%
Net earnings - basic	1.25	1.09	.78
Net earnings - diluted	1.24	1.08	.77
Cash dividends declared per share	.315	.27	.23
Average number of shares outstanding			
Basic	197.7	190.3	181.1
Diluted	200.7	193.2	183.7
Year-End Financial Position			
Working capital	\$ 735.7	\$ 572.1	\$ 470.5
Property, plant and equipment, net	820.4	693.2	582.9
Total assets	2,535.3	2,106.3	1,712.9
Long-term debt	574.1	466.2	388.5
Shareholders' equity	1,436.8	1,174.0	941.1
Total capital ⁽²⁾	2,133.9	1,733.8	1,420.1
Other Financial Data, Profit Measures and Ratios			
Earnings before net interest expense, taxes and non-recurring costs ⁽¹⁾	\$ 429.1	\$ 362.5	\$ 304.2
Earnings before net interest expense, taxes, depreciation, amortization and non-recurring costs ⁽¹⁾	557.0	468.1	396.4
Net cash provided by operating activities	354.9	288.3	238.1
Capital expenditures	147.6	119.4	96.2
Depreciation	106.1	88.3	75.8
Amortization	21.8	17.3	16.4
PERCENTAGES			
Net profit margin before non-recurring costs ⁽¹⁾	7.4	7.2	6.9
Return on average shareholders' equity ⁽¹⁾	19.0	19.7	20.1
Return on average total capital ^{(1) (3)}	14.1	14.5	14.3
Long-term debt as % of total capital	26.9	26.9	27.4
RATIOS			
Net sales/average working capital ⁽⁴⁾	5.5	5.6	5.7
Net sales/average total assets	1.5	1.5	1.5

(1) 1996 amounts exclude merger related costs of \$26.6 pre-tax and \$16.4 after-tax, or \$.09 per basic and diluted share, and an extraordinary item of \$12.5 after-tax, or \$.07 per basic and diluted share. A restructuring charge of \$20.3 pre-tax and \$14.3 after-tax, or \$.10 per basic share and \$.09 per diluted share is excluded from 1990.

(2) Total capital includes long-term debt, deferred taxes, other long-term liabilities and shareholders' equity.

(3) This percentage is computed by adding the after-tax interest expense to net earnings and then dividing the sum by average total capital.

(4) For the purpose of this ratio, average working capital excludes cash and cash equivalents.

(5) Previously reported share and per share data have been restated to reflect a two-for-one stock split distributed on June 15, 1998.

1995	1994	1993	1992	1991	1990	1989	1988
\$2,256.9	\$2,009.1	\$1,526.7	\$1,315.0	\$1,221.4	\$1,231.3	\$1,117.4	\$859.3
12.3%	31.6%	16.1%	7.7%	(.8%)	10.2%	30.0%	26.6%
534.9	471.7	348.4	300.7	260.9	262.4	239.3	174.5
30.4	26.0	10.2	13.5	19.9	23.1	20.5	10.7
220.6	196.3	140.4	107.2	65.2	73.1	81.5	60.5
134.3	119.5	85.6	65.8	39.5	44.5	48.9	37.7
12.4%	39.6%	30.1%	66.6%	(11.2%)	(9.0%)	29.7%	(2.6%)
134.3	119.5	85.6	65.8	39.5	30.2	48.9	37.7
\$.76	\$.69	\$.53	\$.42	\$.27	\$.30	\$.34	\$.27
.75	.68	.52	.41	.26	.30	.33	.27
10.3%	30.8%	26.8%	57.7%	(13.3%)	(9.1%)	22.2%	0.0%
.76	.69	.53	.42	.27	.21	.34	.27
.75	.68	.52	.41	.26	.20	.33	.27
.19	.155	.135	.115	.11	.105	.095	.08
177.3	173.2	160.2	155.9	146.8	146.3	144.1	138.3
179.7	175.7	164.6	160.8	157.1	156.2	154.1	148.2
\$ 411.5	\$ 353.6	\$ 297.8	\$ 237.9	\$ 233.6	\$ 236.9	\$ 203.8	\$167.1
510.6	440.7	353.4	259.7	263.4	255.7	240.3	207.4
1,478.1	1,327.0	1,080.1	772.5	746.7	768.8	662.6	567.2
380.6	364.1	306.1	147.9	232.7	269.4	205.0	164.5
746.8	628.3	514.6	442.1	346.3	316.4	294.5	255.1
1,203.0	1,060.4	892.5	631.5	621.0	626.8	535.2	451.6
\$ 249.2	\$ 220.2	\$ 148.4	\$ 118.0	\$ 84.1	\$ 95.0	\$ 100.4	\$ 69.5
327.2	286.8	193.7	160.6	125.5	134.3	132.6	95.5
187.8	171.9	145.7	100.4	103.0	69.0	64.1	48.0
106.8	97.1	54.2	35.8	36.5	45.1	31.2	37.3
62.6	52.5	39.1	36.5	34.6	32.8	28.1	22.6
15.4	14.1	6.2	6.1	6.8	6.5	4.1	3.4
6.0	5.9	5.6	5.0	3.2	3.6	4.4	4.4
19.5	20.9	17.9	16.7	11.9	14.6	17.8	16.0
13.5	13.9	12.0	11.8	8.3	10.1	12.4	11.6
31.6	34.3	34.3	23.4	37.5	43.0	38.3	36.4
6.0	6.2	5.8	5.8	5.4	5.7	6.1	6.4
1.6	1.7	1.6	1.7	1.6	1.7	1.8	1.8